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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/986,670	11/09/2001	Bart Kavanaugh	K2475.0001/P001	5823
24998	7590	01/23/2004	EXAMINER	
DICKSTEIN SHAPIRO MORIN & OSHINSKY LLP 2101 L STREET NW WASHINGTON, DC 20037-1526			AKERS, GEOFFREY R	
			ART UNIT	PAPER NUMBER

3624

DATE MAILED: 01/23/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/986670

Applicant(s)

Kavonagh

Examiner

Akers, G

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-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136 (a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133).
- Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 11/3/03
- 2a) ☐ This action is FINAL. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11; 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 100-115 is/are pending in the application.
- 4a) Of the above, claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 100-115 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claims _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
- 11) ☐ The proposed drawing correction filed on _____ is: a) ☐ approved b) ☐ disapproved by the Examiner.
If approved, corrected drawings are required in reply to this Office action.
- 12) ☐ The oath or declaration is objected to by the Examiner.

Priority under 35 U.S.C. §§ 119 and 120

- 13) ☐ Acknowledgement is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
a) ☐ All b) ☐ Some* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. _____
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
*See the attached detailed Office action for a list of the certified copies not received.
- 14) ☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. § 119(e).
a) ☐ The translation of the foreign language provisional application has been received.
- 15) ☐ Acknowledgement is made of a claim for domestic priority under 35 U.S.C. §§ 120 and/or 121.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892) 4) ☐ Interview Summary (PTO-413) Paper No(s). _____
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948) 5) ☐ Notice of Informal Patent Application (PTO-152)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449) Paper No(s). _____ 6) ☐ Other:

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DETAILED ACTION

Response to Request for Continued Examination(RCE)

1. This action is issued in reply to applicant's Request for Continued Examination(RCE)(Paper #16) filed 11/19/03 and Amendment C(Paper #14).
2. Claims 1,3-11,13-54,56-65,68-99 were cancelled. New claims 100-115 were added.
3. New claims 100-115 are pending.

Claim Rejections - 35 USC § 103

4. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

5. Claims 100-115 are rejected under 35 USC 103(a) as unpatentable over Ryan(US Pat. No: 6,304,859) in view of College of Financial Planning(2000)("College") and further in view of Udell(National Underwriter)(1999).
6. As per claims 100-115, Ryan teaches a system for determining the optimal premium structure for a variable life insurance product using part of the policy owner's funds and a loan to finance the premium(Abstract)(col 3 lines 22-46). Ryan teaches funding by a traditional loan(col 3 lines 23-26). Additionally, Ryan teaches acquiring the life insurance policy for each of the

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employees(insured persons) using a bank for partial funding(loan) and contained within a corporate qualified plan. Ryan further teaches an insurance company(Fig 2/104) and a bank(Fig 2/110) and analysis of loan to cash value(Fig 2/5) and an optimal insurance premium(Fig 2/6).Ryan also teaches a performance tracking report to employee-beneficiary(Fig 2/10) and to a corporation(Fig 2/9) and to the lender-bank(Fig 2/11).Ryan also teaches loan monitoring(Fig 8). In addition to that taught by Ryan, College further teaches a life insurance trust with a third party beneficiary(page 1). College further teaches a second tax favored entity(life insurance trust)(page 1) into which may be placed income from the contents. In addition to that taught by College, Udell further teaches a means of combining an annuity with a life insurance policy to produce an income stream(page 1) which may be placed inside a life-insurance trust and which the annuity component produces an income stream to the trust to receive tax favored treatment and to pay part of the insurance premiums.Udell further teaches purchase of an annuity in combination with life insurance(page 1) but with no estate tax(page 2) as it is owned by an irrevocable trust(page 2) yet with an annuity producing an income stream for a beneficiary(page 2). It would have been obvious to one skilled in the art at the time of the invention to combine Ryan in view of College and further in view of Udell to teach the disclosure. The motivation to combine Ryan in view of College is to teach utilizing a lender's funds to finance part of a life insurance policy which may be placed in a trust as enunciated by College(Page 1) for use by a plurality of beneficiaries. The motivation to combine Ryan in view of College and further in view of Udell is to teach utilizing

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lent funds to purchase life insurance and annuities as enunciated by Udell which also may be placed in a life insurance trust and funded by the annuities for use by a plurality of beneficiaries.

Response to Arguments

7. Applicant's arguments with respect to claims 110-115 have been considered but are moot in view of the new ground(s) of rejection.

Conclusion

8. **THIS ACTION IS MADE NON-FINAL.**

9. Questions concerning this action should be addressed to the primary examiner, Dr. Geoffrey Akers, P.E. who can be reached daily between 6:30 AM and 5:00 PM at 703-306-5844. If the primary examiner cannot be reached, the primary's superior, Mr. Vincent Millin, SPE may be contacted at 703-308-1065.

January 19, 2004

DR. GEOFFREY R. AKERS, P.E.
PRIMARY EXAMINER